

VZCZCXYZ0000  
PP RUEHWEB

DE RUEHEG #0561/01 0920955  
ZNY CCCCC ZZH  
P 020955Z APR 09  
FM AMEMBASSY CAIRO  
TO RUEHC/SECSTATE WASHDC PRIORITY 2075  
INFO RUEHLM/AMEMBASSY COLOMBO PRIORITY 0052  
RUEHKA/AMEMBASSY DHAKA PRIORITY 0165  
RUEHIL/AMEMBASSY ISLAMABAD PRIORITY 0473  
RUEHNE/AMEMBASSY NEW DELHI PRIORITY 0317  
RUEHC/DEPT OF LABOR WASHDC PRIORITY  
RUEATRS/DEPT OF TREASURY WASHDC PRIORITY  
RUCPDOC/DEPT OF COMMERCE WASHDC PRIORITY

C O N F I D E N T I A L CAIRO 000561

SIPDIS

DEPT FOR NEA/ELA  
DEPT PLEASE PASS TO USTR  
TREASURY FOR BRYAN BALIN AND FRANCISCO PARODI

E.O. 12958: DECL: 03/29/2014  
TAGS: [ELAB](#) [ECON](#) [EAID](#) [EFIN](#) [EINV](#) [PGOV](#) [PREL](#) [EG](#) [BG](#) [IN](#)  
CE, PK  
SUBJECT: FOREIGN WORKERS IN EGYPT

REF: A. 08 CAIRO 2402

[¶](#)B. 08 CAIRO 2528

Classified By: ECPO Minister-Counselor William R. Stewart for Reasons 1  
.4 (b) and (d).

[¶](#)11. (C) KEY POINTS

- As part of our ongoing monitoring of labor conditions in Egypt, particularly in the Qualifying Industrial Zones (QIZs), we discussed the issue of foreign workers with diplomats from a number of Southeast Asian embassies.

- Diplomats from Southeast Asian countries estimate that there are 4-5 thousand Southeast Asians working in the Egyptian garment industry, many in the QIZs. The majority appear to be from Bangladesh.

- These diplomats report that there have been cases of abuses against foreign workers in Egypt, although the problem is not widespread.

- The GOE is reportedly responsive though not always effective.

- Bangladeshi officials expressed concern that direct confrontation with garment factories could do more harm than good and recommended working with the GOE to enhance and strengthen government oversight.

- Post will continue investigating the issue by collecting data, visiting factories, and working with other embassies, NGO's and garment buyers.

COMMENT

-----

[¶](#)12. (SBU) Foreign workers are not a major presence in Egypt. Egyptian labor law and a large and relatively inexpensive Egyptian workforce naturally limit the number of foreign workers in Egypt. In fact, many Egyptians leave Egypt to work in the Gulf, Europe, and the U.S. Most foreign workers fill either supervisory or technically skilled positions. Of the reported 100,000 workers in the QIZs, less than ten percent are foreign workers. Many of the factories that we have visited appear to have no foreign workers at all.

[¶](#)13. (C) NGO's continue to tell us that labor issues related to

abuse of Egyptian or foreign workers in QIZ factories are limited. Recently, Kamal Abbas, director of the influential labor rights NGO the Center for Trade Union and Worker Solidarity, told us that foreign labor in the QIZs is not an issue of concern for his organization and asked rhetorically why Egypt, as an exporter of labor, would import foreign workers. His organization is focusing instead on the lack of union presence in the QIZs, a problem he sees throughout Egypt's private sector.

**¶4. (U)** We are aware of Washington's interest in foreign labor in Egypt's QIZ factories and will continue to aggressively investigate and monitor the issue.

Sri Lankans

**¶5. (C)** D.D. Premaratne, the Commercial Secretary at the Sri Lankan Embassy in Cairo, told us that there are about 1000 Sri Lankans working in Egypt. Approximately 700 work in the garment industry and 300 in the gold and jewelry industry. Premaratne did not have information on how many of the 700 garment workers were employed in the QIZs. He said that most Sri Lankans work under contracts and that they are treated well and paid on time. He added that he had not received any complaints of mistreatment of Sri Lankan nationals in Egypt.

Indians

**¶6. (C)** India's Consul, B.P. Kothiyal, told us that most Indians working in Egypt are professionals rather than blue-collar workers or laborers. He knew of only one case that in which Indians had complained of not being paid on time, and this complaint was resolved last year. No cases of mistreatment of workers had been reported, and Kothiyal told us that unlike in Saudi Arabia, employers in Egypt do not hold workers' passports. There are currently approximately 2500 Indians in Egypt with 300-400 of these working in factories.

Bangladeshis

**¶7. (C)** Bangladeshi First Secretary, Shahidul Karim, said there are 3000-4000 Bangladeshis living in Egypt including around 250 students and a handful of professionals. The remainder are factory workers who work in garment factories in Egypt's QIZs. Karim told us that Bangladeshi workers are imported because they have a reputation for being skilled in the garment industry and they are more flexible than Egyptians when it comes to working overtime and on weekends.

**¶8. (C)** Karim reported that working conditions are generally good, but his embassy had received several complaints from Bangladeshi workers in six factories in the QIZ's. These complaints include being forced to work uncompensated overtime, verbal abuse, holding of passports, improper salary deductions, lack of promised food and health care, and issues with sick and annual leave. He also pointed to a practice in which employers do not renew visas for their workers and force them, in essence, to work illegally. As a result the employee is more vulnerable to employer intimidation. This also allows the employers to save money on the visas and to skirt the legal limits on the percentage of foreign workers. One example he pointed to was a company that had contracted to pay its workers \$200/month and was only paying them \$100/month. Despite intervention by both the Bangladeshi Embassy and the GOE, he continued to receive reports that the workers were still not being paid their due salaries.

**¶9. (C)** Karim characterized these complaints as "not widespread" and said that the problems were concentrated in 5-6 companies (one of which had gone out of business) and affected 200-500 workers. Karim would not share the names of the companies in question, and he said he thought too much unwanted attention would do more harm than good. We "cannot let the garment industry be affected by small issues," he

said. Karim told us that the GOE has been responsive to issues when they are brought to their attention. He said that the issue in Egypt is lack of oversight by the GOE together with NGO's on labor issues. Increased oversight would help keep these problems to a minimum.

Pakistanis

¶10. (C) The Pakistani Commercial Counselor reported that there are few Pakistani workers in Egypt. Unlike in Saudi Arabia or the countries of the Gulf, salaries in Egypt are not attractive to Pakistani workers. Workers can make similar or better salaries by remaining in Pakistan.

SCOBET